

Power cut avoided but questions remain

The City of Mbombela Local Municipality (CMLM) may have averted the interruption of bulk electricity supply in four areas but we still do not know: where did residents' electricity money go if it was not used to pay Eskom?

MBOMBELA – The citywide power interruptions last week were not due to Eskom cuts, yet CMLM was not able to explain why they happened at the time of going to press, just as four government departments had not responded to the reasons for their R60,4 million debt to the municipality.

Mbombela mayor Cllr Sibubiso Mathonsi (6) (Medium)CMLM has still not explained where the money that was paid by residents for electricity went, if it was not used to pay the council's Eskom account. Lowvelder requested the number of municipal employees or officials who received bonuses in 2016 and whether or not the correct procedures were followed with regard to the municipality's account with the power utility.

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Government departments owe CMLM the collective sum of over R60 million for water, electricity and property rates. This is according to a letter written to Eskom by executive mayor, Cllr Sibubiso Mathonsi, in response to the power utility's decision to interrupt bulk electricity supply to four areas in the municipality. Mathonsi wrote that the outstanding amount was a contributing factor to the non-payment of December's Eskom account.

IMG_3544 (Medium)According to DA leader in the municipality, Mr Steve Schormann, had these departments paid their debts within the prescribed 30 days, CMLM may have been in a better position "and not be faced with the threat of interruptions to its supply of bulk electricity".

The provincial departments of public works, roads and transport, and health owe R6,5 million and R3,9 million for water and electricity, whereas the national Department of Public Works owes R5 million for electricity services and R15 million for property rates. The Department of Rural Development and Land Reform also owes R30 million for property rates. Media queries were sent to all the departments on Friday.

Meanwhile, Eskom still cannot confirm whether the CMLM is in the clear after it paid the power utility approximately R50 million on Wednesday in an attempt to prevent bulk electricity supply interruptions to four areas in the city.

The minister of Public Enterprises, Ms Lynne Brown, instructed Eskom last week to afford errant municipalities more time to clear their outstanding debt.

According to an Eskom media release, the company has granted municipalities until the end of January to settle their amounts in arrears, which it said is “consistent with the compassion Eskom has demonstrated since the commencement of (its) engagements with the municipalities”.

The media statement was sent to Lowvelder in response to the question of whether or not CMLM had been removed from Eskom’s list of municipalities to experience electricity cuts from the original date of January 23.

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CFO for the municipality, Mr Oupa Mokoena, and the provincial Department of Cooperative Governance and Traditional Affairs confirmed last week that the payment had been made. The Kruger Lowveld Chamber of Business and Tourism (KLCBT) posted a status on its Facebook page on Thursday which said, “the submissions and payment made to Eskom by Mbombela City, were accepted by Eskom.”

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We have written confirmation from both parties that the intended disconnection of electricity has been suspended and we will have no electricity cuts from Monday,” it read.

Brown also urged municipalities in arrears to move with speed to clear their debts and emphasised the matter as one of national importance that she urgently hopes to discuss with the minister of finance.

“Turning off the power supply does not only impact on individual ratepayers and municipalities, it has potentially disastrous effects on businesses, and therefore jobs. One cannot help feeling sympathetic to those who pay their electricity bills in good

faith, only for the payments to be consumed by municipalities with precious little income and resources,” she said.

Brown added that the security of future revenue is paramount to the power utility’s sustainability.

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The amount of R10,2 billion (the amount some municipalities collectively owe Eskom), which grows exponentially, has the potential to undermine the sterling effort undertaken to restore Eskom back to its sound financial footing. It is critical for all municipalities to institute pre-paid billing to help build a payment culture,” she said.

She added that she was inspired by cooperation by some municipalities.